

United States Senate

WASHINGTON, DC 20510

June 1, 2010

President Barack Obama
The White House
Washington, DC 20500

Dear Mr. President:

Despite your comments on April 16th, reiterating your support for the completion of the Korean, Colombian and Panamanian Free Trade Agreements ("FTA"), there has been little substantial progress in the enactment of these critical accords. In fact, Luis Plata, Colombia's Trade Minister, said his nation still had not received a "concrete list" of actions which Colombia must take before your Administration supports Congressional action on these agreements. Therefore, we respectfully ask your Administration provide, on an expedited basis, to Korea, Colombia and Panama, a well-defined and finite list of those outstanding issues they need to accomplish. Given Congress' role in approving these agreements, we also request you propose a specific timeline for the enactment of these FTAs.

The immediate consideration of these FTAs has never been so important. The European Union has negotiated trade agreements with a number of Central American countries, including Panama. This is in addition to the FTA the Europeans have reached with Korea. The impact of our inaction is already being felt. For example, Minister Plata noted that in 2008 the United States held 80 percent of the yellow corn market in Colombia. Subsequently, a trade agreement between Colombia and Argentina and Brazil eliminated, for those nations, the Colombian tariff on yellow corn. As a result, our share of the Colombian yellow corn market has dropped by more than half. A similar result can be expected in a larger variety of markets as the Canadian government works to complete a treaty with Colombia.

Ratification by the Congress of the Korean, Colombian and Panamanian FTAs would be the catalyst for significant economic growth and job creation in the United States. Based on figures by the United States International Trade Commission ("USITC"), the Korean FTA will facilitate the growth of our economy by up to \$11.9 billion. US exports of goods to Korea would grow by \$9.7 to \$10.9 billion, primarily in the areas of agricultural products, machinery, electronics, and transportation equipment.

Implementing the Colombia FTA will increase our nation's gross domestic product by \$2.5 billion. The benefits of the Panamanian FTA are similar. In 2006, the USITC estimated our trade surplus with Panama will increase as a result of the implementation of this agreement. At the time, the United States enjoyed a \$2.2 billion trade surplus with Panama. The treaties will

also benefit our balance of trade with Colombia and Panama since the agreements will end the trade preference programs which permit these countries to export a variety of products to the United States virtually duty free.

The choice is clear. In a time of diminished prosperity, it is in the United States' best interest to stimulate our economy by opening new foreign markets to our nation's products and services, creating countless jobs. Therefore, in order to reap the economic potential these FTAs offer, we respectfully request that your Administration provide, on an expedited basis, to Korea, Colombia and Panama a well-defined and finite list of those particular outstanding issues to be accomplished and provide Congress with a proposed specific timeline for the enactment of these FTAs once those articulated matters are resolved.

Sincerely,

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